

BOARD OF SUPERVISORS

GILA COUNTY, ARIZONA

Date: April 26, 2005

JOSÉ M. SANCHEZ

Chairman

JOHN F. NELSON

Clerk of the Board

TOMMIE C. MARTIN

Vice-Chairman

By: Marian Sheppard
Chief Deputy Clerk

SHIRLEY L. DAWSON

Member

Payson College Campus
Payson, Arizona

PRESENT: Jose M. Sanchez, Chairman; Tommie C. Martin, Vice-Chairman; Shirley L. Dawson, Member; Steve Besich, Deputy County Manager, Marian Sheppard, Chief Deputy Clerk; and, Patti Wortman, 1st Chief Deputy County Attorney.

The Gila County Board of Supervisors met in Work Session at 10:00 a.m. this date. Matt Benjamin led the Pledge of Allegiance and Jeremy Goodman delivered the Invocation.

Tommie Martin called the meeting to order and advised that Chairman Sanchez asked her to chair today's meeting as the meeting is being held in her Supervisorial District. She first introduced County staff to the audience and then she introduced Leslie Meyers and Marvin Murray, who are with the U.S. Department of the Interior, Bureau of Reclamation.

Vice-Chairman Martin called on Ms. Meyers to address agenda item number two, a presentation on the current status of the Mogollon Rim Water Resources Management Study and how it relates to water issues in northern Gila County. Ms. Meyers advised that she is a program manager with the Bureau of Reclamation and that she also serves as the manager for the Mogollon Rim Water Resources Management Study. Through the use of a PowerPoint presentation, Ms. Meyers provided an overview of the Mogollon Rim

Water Resources Management Study, which became official in 2003. The Study group is comprised of representatives from the Bureau of Reclamation, Town of Payson and Gila County. The purpose of the Study is to review all of the data collected on water in the northern area of Gila County including water demands of the current population and to project future water needs. She explained that the surface water rights in northern Gila County are held by Salt River Project, which owns the Verde and Salt River watersheds, and the United States Department of Agriculture, Forest Service, Tonto National Forest is responsible for managing the sustainability of those watersheds. She stated that the biggest issue is the lack of surface water available in Gila County because most of the area is public lands, which is managed by the Forest Service. The Town of Payson's water source comes from groundwater, with few surface rights in the area. To date, the needs assessment for the Study has been completed and data gaps have been identified in order to finish the alternatives matrix. Ms. Meyers advised that the largest gap in the Study is the mapping and geology in the groundwater. To aide in that effort, a geologist has been hired to put together a conceptual groundwater model. When the entire Study is complete, it will consist of a needs assessment, alternatives matrix and demand analysis. The projected completion data is December 2005.

Vice-Chairman Martin inquired as to the reasons for conducting isotope and chemistry testing. Ms. Meyers replied that the isotope testing determines if the water is new or old and the length of time the water has been in a certain location. The chemistry testing provides the relationship of water in one area to water in another area. She further replied that the work being conducted by the geologist determines the geology of the location and if it has the potential for producing water.

Vice-Chairman Martin asked the members of the audience for questions. Ms. Diane McDaniel, a member of the Diamond Star Water Coalition, asked whether the final analysis of this Study will suggest proposed drill sites. Ms. Meyers replied that she could not say for certain if the Study will provide a

recommendation for drilling; however, all of the data collected will be made available to the public so that a decision can be made for each community. Mr. Steve Bingham inquired about the source of funding for the Study. Ms. Meyers advised that the Bureau of Reclamation will fund \$300K, and Gila County and the Town of Payson will each fund \$150K; however, at this point no money has changed hands. She further added that Gila County is paying with in-kind contributions. Mr. Dave Kennedy asked about the testing being done to verify data and whether there is a prohibition which precludes the Bureau of Reclamation from using the wells. Ms. Meyers replied that once the wells have been drilled, they won't be the Bureau of Reclamation's wells, but part of the Study. She said, *"We can't authorize to make them production wells, but we can turn them over to an entity to be a production well."*

Vice-Chairman Martin addressed agenda item number three, presentation of information and discussion regarding concerns of the citizens from the Diamond Point and Star Valley areas with the developer wells and proposed pipeline in the community that could be connected by well developers to the Town of Payson's water system. She called on Harry Jones, Gila County's consultant on water issues, to introduce the presenters of this agenda item. Mr. Jones introduced Mr. Gary Hatch and Mr. Chris Benjamin, spokesmen for the Diamond Star Water Coalition. Mr. Hatch is Fire Chief for the Diamond Star Fire District and Mr. Benjamin is the owner of a mobile home resort park in the community.

Mr. Hatch thanked the Board of Supervisors for allowing him and Mr. Benjamin the opportunity to express the concerns of the Diamond Star Water Coalition. She also recognized Town of Payson Vice Mayor Judy Buettner, who attended the meeting. Mr. Hatch advised that the Diamond Star area is located 4 miles east of Payson and is comprised of local residents and business people working to protect the current and future water supply to the Star Valley and Diamond Point areas. The subject area has approximately 1,500 to 2,000 residents. The Coalition's main concern is a large production well located at

the east end of Star Valley which is about four-tenths of a mile from an old County disposal dump. The concern is that drainage from the old disposal dump could contaminate the water at the new well site.

Mr. Hatch stated there has been ineffective communication from the Town of Payson. He referred to conflicting statements made by Town representatives at various Town Council meetings. For example: August 2001 – a statement was made by the Council that “we don’t want your water” due to contamination concerns. March 10, 2005 – A comment was made that the deep water is different from the shallow water. April 14, 2005 – A comment was made that the deep water is the same as the shallow water. The Coalition wrote a letter to the Payson Town Council asking for clarification on whether the Town was interested in Star Valley’s water and never received a response. The Coalition heard that the Town told the developer that if they could provide water, the Town would accept it.

At the Payson Town Council Meeting on March 10, 2005, concerns of the Diamond Star Water Coalition were presented regarding the developer wells and proposed pipeline. The Coalition expressed a concern that should production wells be placed in Star Valley, eventually there won’t be enough water to provide for the Star Valley citizens. At the same time, a request was made of the Council to annex Star Valley into the Town or allow Star Valley to incorporate. The Council tabled a decision on this request and advised the Coalition to “get an education on this issue.”

At the Payson Town Council meeting on April 14, 2005, the Mayor told the people that the southern part of Gila County is not listening to the northern part of Gila County and he suggested that letters be written to the Board of Supervisors.

Mr. Hatch then referred to some national statistics. He advised that between 1971 to 1985, there have been 245 groundwater related disease outbreaks with 51,181 associated illnesses reported. The Arizona Department

of Environmental Quality has listed wells in the Star Valley areas as being “hydro-geologically sensitive due to releases of pollutants at the surface or subsurface.” He then reviewed the function and purpose of the Safe Drinking Water Act. Mr. Hatch stated that the Pima Association of Governments developed a pilot well head protection program that was funded from EPA (Environmental Protection Act) grants to determine zones of contribution around wells, and track contamination from storage tanks, septic systems and landfills.

He advised there is a gas tank leak in the center of Star Valley; there are hundreds of septic tanks; an old unregulated dump site; and, the issue is what entity will be responsible for the cleanup. Mr. Hatch stated, “*If the wells go into production and it pulls contamination from the County landfill into the watershed, who will clean it up? If contaminated, do they just turn off the wells and it leaves us with contaminated water? We want the Board to pass a resolution to protect our water rights.*” He also stated that the Coalition has asked to be annexed into the Town of Payson and no action has been taken by the Town Council, so they are in the process of incorporating Star Valley.

Vice-Chairman Martin advised that because today’s meeting is a work session, there can be no official Board action. She did, however, offer to help members of the Coalition meet with other individuals who could possibly provide assistance. Mr. Benjamin stated that 95 signatures have been obtained on a petition to annex Star Valley into the Town of Payson. He stated that Town attorneys advised that the petitions are illegal; however, he stated the petition was drafted by both the Town attorney and the attorney for the Coalition. He requested that the Board obtain a legal opinion as to the validity of the petition. Vice-Chairman Martin advised that she will have Patti Wortman, 1st Chief Deputy County Attorney, look into the matter.

Chairman Sanchez asked for further information on the old County landfill. Mr. Benjamin defined the difference between a dump and a landfill and stated that it was a “dump”, not a landfill. He advised that the old dump

site was northern Gila County's landfill for many years. It was open 24 hours per day and it was an unregulated and unlined site with no fees being collected until the last two years of operation. The County received federal money to relocate the dump site which is now the Buckhead Mesa Landfill. The Buckhead Mesa Landfill is a lined landfill according to government regulations. The old dump site was covered up, but because it is located four-tenths of a mile from the production well, it is anticipated that the water drainage from the dump site will contaminate the water of the production well within a period of two years.

The Board and Mr. Hatch entered into a discussion on the future direction that is needed in order for Star Valley to become incorporated. Vice-Chairman Martin called on Joe Mendoza, Community Services Division Director. Mr. Mendoza advised that the County does not have a water department and he suggested that the County Attorney could possibly offer some suggestions. Chairman Sanchez offered to talk with the Central Arizona Association of Governments about the issue to possibly provide some direction. Chairman Sanchez asked if the Diamond Star Water Coalition is a non-profit organization. Mr. Hatch replied that he and others are working on establishing the Coalition as a non-profit organization; however, at this point it is "*just folks getting together.*"

Mr. Hatch expressed a concern regarding a statement of there being two aquifers and the "*(Town) hydrologist saying it is the same at the top as the bottom. Every hydrologist says it can't be separated; it is one aquifer.*" Vice-Chairman Martin referred to an earlier conversation with Town of Payson officials about having a pipeline in the future that will run in both directions. She stated, "*Maybe in the future we can set up to replenish that water so Star Valley does not dry up....We can maybe set up agreements for this.*"

Vice-Chairman Martin asked for public comment. Steve Bingham, president of the Knolls Homeowners Association, stated that there are thousands of people living in Star Valley and that he is more concerned for the

future than what is being done at present. He stated, *"We need protection from the County because there is nothing to stop the Town of Payson."* Ms. Pat Cline asked about the number of wells and whether the spring is drying up in Chaparral Pines and up into the canyon. She also expressed a concern for the future value of properties.

Vice-Chairman Martin advised that the Town of Payson accepted an invitation to today's meeting to present an update on the status of the Town's water projects and the Town's participation in regional water development efforts, which is listed as item four of today's agenda; however, notification was later given that Town representatives would not present before the Board of Supervisors. She asked Harry Jones to provide an update, even though he was not speaking on behalf of the Town of Payson. Mr. Jones advised that the Town of Payson has talked of working on water issues with Gila County. He stated that the Town uses a concept called "Safe Yield" to manage its water supply. Safe yield means that the amount of groundwater pumped from the aquifer must not exceed the amount that is naturally or artificially recharged. He advised that a developer within the Town of Payson does not have to supply water for residential, commercial or industrial subdivisions or developments of 20 or less lots and/or building units or any combination thereof; however, a water supply must be provided by the developer for residential, commercial or industrial subdivisions or developments of 21 to 120 lots and/or building units, or any combination thereof. He stated, *"That's the basic situation with Payson and how they want to respond to this whole thing is unknown to me."* Mr. Jim Keyworth asked whether the Town of Payson provided a reason for not attending today's meeting. Mr. Jones replied that no reason was given.

Vice-Chairman Martin moved to agenda item five, the Chairman's summary of current events. Each Board member briefly presented an update on current events.

There being no further business to come before the Board, Vice-Chairman Martin adjourned the meeting at 11:16 a.m.

José M. Sanchez, Chairman

ATTEST:

John F. Nelson, County Manager/Clerk